



United States
Department of
Agriculture

Consolidated
Farm Service
Agency

P.O. Box 2415
Washington, D.C.
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FmHA AN No. 3171 (1940-L)
June 30, 1995

TO: Acting State Directors
Rural Economic and Community
Development Service

ATTN: Farmer Programs Chiefs

FROM: *or* Lou Anne Kling
Acting Deputy Administrator for
Farm Credit Programs

SUBJECT: Pooling of Direct Operating (OL) Loan Funds

Purpose/Intended Outcome:

Effective the close of business on August 1, 1995, unobligated allocations of all direct OL loan funds which are not targeted for Socially Disadvantaged (SDA) applicants for Fiscal Year 1995 will be pooled.

Comparison with Previous AN:

No previous ANs have been issued on this subject.

Implementation Responsibilities:

Non-targeted direct OL loan funds will be pooled and reallocated to states as non-targeted, non beginning farmer limited resource 7-year loan funds. Pooled loan funds will be allocated on an equal basis to all states. Funds may be transferred between loan categories on a request basis. A transfer of funds which results in a savings of subsidy will allow a state to obligate additional direct OL loan funds. The amount of funds pooled will be very limited. There will not be a National Reserve established as a result of this pooling action.

If you have any questions, contact the Loan Making Division at (202)720-1632.

Sent by electronic mail on 7-3-95 at 10:46 by GSS. The State Director should advise other personnel as appropriate.

EXPIRATION DATE: September 30, 1995

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1940-L